



## **Memorandum**

**To:** Honorable Mayor Maso and Members of the Frisco City Council

**cc:** George Purefoy, City Manager  
Cissy Sylo, P.E., Director of Engineering Services  
Elizabeth Metting, P.E., Asst. Director/City Engineer

**From:** Jason Brodigan, P.E., Senior Civil Engineer

**Date:** October 8, 2008

**Subject:** Consider and act upon adoption of a Resolution authorizing the City Manager to execute the Advance Funding Agreement by and between the City of Frisco and the Texas Department of Transportation to provide funding for the construction of left turn lanes on FM 2478 (Custer Road) from Stonebridge to US 380.

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**Action Requested:** City Council consideration and approval of a Resolution authorizing the City Manager to execute the Advance Funding Agreement by and between the City of Frisco and the Texas Department of Transportation for the City of Frisco's contribution in the amount of \$132,000.00 for the construction of left turn lanes on FM 2478 (Custer Road) from Stonebridge to US 380 (the "Project").

**Background Information:** The Texas Department of Transportation (TxDOT) is currently completing the design and acquiring right of way for the widening of FM 2478 (Custer Road) from Stonebridge to US 380. The Project will widen the existing two (2) lane roadway to a six (6) lane urban roadway with a raised median, turn lanes, and curb and gutter. The Project is expected to open bids in November 2008; construction should begin in Spring 2009, and the Project is anticipated to be completed in late 2011.

TxDOT policy is to provide left turn lanes and median openings only at City streets. The policy is enforced to avoid favoritism or to avoid negatively impacting future development. TxDOT will construct left turn lanes at other locations requested by the City, if the requesting City provides funding for the improvements. Three (3) locations have been identified for left turn lanes. The first is the Custer-Eldorado Addition, located at the southwest corner of Custer Road and Eldorado Parkway. Two (2) left turn lanes have been requested for the northwest corner of Custer Road

and Eldorado Parkway to serve the Capital One Bank building and the future development to be located at this corner. The Advance Funding Agreement incorporates two (2) types of costs for TxDOT to construct the requested improvements. The Direct Cost of constructing the median openings and left turn lanes for the locations submitted to TxDOT is \$120,000.00. All costs are based on estimated quantities and TxDOT's estimates of cost. The actual cost of the agreement will be based on actual field measured quantities and bid cost of each item. TxDOT will summarize the quantities and costs at the completion of construction and refund or request additional funds as necessary. The Agreement also includes Indirect Costs for constructing the improvements; Indirect Costs are a required item by TxDOT to monitor the construction, measure the field quantities of each of the left turn lanes, and process paperwork for payment. The Indirect Cost included in the Advance Funding Agreement is 10% of the construction estimate, totaling \$12,000.00. The Advance Funding Agreement requires a total contribution of \$132,000.00 by the City of Frisco.

**Financial Considerations:** Funding for the cost of the left turn lanes will be collected from the property owners through escrows or agreements to reimburse the additional cost of these median openings and turn lanes to the City of Frisco. The following summarizes the funding required, the sources of funding for the left turn lanes and median openings, and the City of Frisco's anticipated contribution amount:

Estimated Direct Cost of Turn Lanes/Median Openings:	\$120,000.00
Estimated TxDOT Indirect Costs (10%):	\$ 12,000.00

**Subtotal – Total amount of Advance Funding Agreement: \$132,000.00**

Escrows previously collected from property owners:	\$ 55,857.00
Escrow to be collected through Custer Star agreement:	\$ 57,942.05

<b>Subtotal – Escrows from property owners:</b>	<b>\$113,799.05</b>
<b>Balance (funded through City of Frisco bonds):</b>	<b>\$ 18,200.95</b>

The balance to be funded with City of Frisco General Obligation Bonds is a result of inflation of construction costs since the \$55,857.00 was collected and the Indirect Costs required by TxDOT.

**Alternatives:** City Council could consider the following alternatives:

- Approval of a Resolution authorizing the City Manager to execute the Advance Funding Agreement by and between the City of Frisco and the Texas Department of Transportation;
- Input towards the discussion as desired;

- Deny approval of the Resolution and send back to staff with direction.

**Legal Review:** The Resolution has been reviewed and approved by the City Attorney's Office as to form and legality.

**Supporting Documents:** Supporting documents include the following items:

- Copy of Project Location Map;
- Copy of Resolution authorizing the City Manager to execute the Advance Funding Agreement by and between the City of Frisco and the Texas Department of Transportation;
- Copy of Advance Funding Agreement by and between the City of Frisco and the Texas Department of Transportation.

**Staff Recommendation:** Staff recommends placement of this item on the October 8, 2008 City Council meeting agenda to consider and approve a Resolution authorizing the City Manager to execute the Advance Funding Agreement by and between the City of Frisco and the Texas Department of Transportation for the City of Frisco's contribution in the amount of \$132,000.00 for the construction of left turn lanes on FM 2478 (Custer Road) from Stonebridge to US 380. Staff will be present at the meeting to address the City Council's questions relating to this agenda item.